

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

U

WS-04235A  
Utility Source, L.L.C. – Sewer Division  
721 E. San Pedro  
Gilbert, AZ 85234

**RECEIVED**

APR 17 2006

**Z Corporation Commissic  
Director of Utilities**

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2005
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FOR COMMISSION USE

ANN05	05
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entered  
4-17-06  
RF

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Utility Source, L.L.C.</u>		
<b>Mailing Address</b> <u>721 E San Pedro</u>		
<u>Gilbert</u>	<u>Arizona</u>	<u>85234</u>
(City)	(State)	(Zip)
<u>(480) 892-8756</u>	<u>(480) 892-3387</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____		
<b>Local Office Mailing Address</b> <u>saa</u>		
(Street)		
(City)	(State)	(Zip)
<u></u>	<u></u>	<u></u>
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____		

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>Pat Carpenter</u> <u>A Quality Water</u>			
(Name)		(Title)	
<u>2879 S Andrews</u>	<u>Williams</u>	<u>Arizona</u>	<u>86046</u>
(Street)	(City)	(State)	(Zip)
<u>(928) 606-0498</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			
<b>On Site Manager:</b> <u>saa</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
<u></u>	<u></u>	<u></u>	<u></u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

<b>Statutory Agent:</b> <u>Sallquist &amp; Drummond, P.C.</u>		<u>Richard L. Sallquist</u>	
(Name)			
<u>2525 E Arizona Biltmore Circle #A117</u>	<u>Phoenix</u>	<u>Arizona</u>	<u>85016</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 224-9222</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Attorney:</b> <u>saa</u>			
(Name)			
<u></u>	<u></u>	<u></u>	<u></u>
(Street)	(City)	(State)	(Zip)
<u></u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### **OWNERSHIP INFORMATION**

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                     |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)       | <input checked="" type="checkbox"/> Limited Liability Company             |
| <input type="checkbox"/> Other (Describe) _____ |   |

### **COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input checked="" type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE            |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE              |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL               |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA                |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
351	Organization			
352	Franchises			
353	Land and Land Rights	105,000		105,000
354	Structures and Improvements	56,350	1,876	54,474
355	Power Generation Equipment	32,200	1,610	30,590
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	260,553	5,211	255,342
362	Special Collecting Structures			
363	Services to Customers	60,375	1,208	59,167
364	Flow Measuring Devices	3,450	173	3,277
365	Flow Measuring Installations			
370	Receiving Wells			
380	Treatment and Disposal Equip.	1,106,874	55,344	1,051,530
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	<b>TOTALS</b>	<b>1,624,802</b>	<b>65,422</b>	<b>1,559,380</b>

This amount goes on the Balance Sheet Acct. No. 108

**COMPANY NAME**      **Utility Source, L.L.C.**

**CALCULATION OF DEPRECIATION EXPENSE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
351	Organization			
352	Franchises			
353	Land and Land Rights	105,000		-0-
354	Structures and Improvements	56,350	3.33%	1,876
355	Power Generation Equipment	32,200	5 %	1,610
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	260,553	2 %	5,211
362	Special Collecting Structures			
363	Services to Customers	60,375	2 %	1,208
364	Flow Measuring Devices	3,450	5 %	173
365	Flow Measuring Installations			
370	Receiving Wells			
380	Treatment and Disposal Equip.	1,106,874	5 %	55,344
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	<b>TOTALS</b>	<b>1,624,802</b>		<b>65,422</b>

This amount goes on the Comparative Statement of Income and Expense Acct. 403

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 12,706.57	\$ 1,059.12
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	7,956.36	11,272.06
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 20,662.93	\$ 12,331.18
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$	\$ 1,624,802.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		( 65,422.00)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 0.00	\$ 1,559,380.00
	<b>TOTAL ASSETS</b>	\$ 20,662.93	\$ 1,571,711.18

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 0.00	\$ 0.00
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$	\$
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	( 16,082.50)	( 102,881.54)
218	Proprietary Capital (Sole Props and Partnerships)	36,745.43	1,674,592.72
	<b>TOTAL CAPITAL</b>	\$ 20,662.93	\$1,571,711.18
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 20,662.93	\$1,571,711.18

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
521	Flat Rate Revenues	\$ 28,030.70	\$
522	Measured Revenues		46,145.09
536	Other Wastewater Revenues		1,657.47
	<b>TOTAL REVENUES</b>	\$ 28,030.70	\$ 47,802.56
	<b>OPERATING EXPENSES</b>		
701	Salaries and Wages	\$	\$
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense		
715	Purchased Power	18,047.18	17,442.83
716	Fuel for Power Production		
718	Chemicals	4,425.00	3,944.76
720	Materials and Supplies	21,272.00	4,793.26
731	Contractual Services – Professional		1,195.00
735	Contractual Services – Testing		20,472.00
736	Contractual Services – Other		15,000.00
740	Rents		
750	Transportation Expense		
755	Insurance Expense		
765	Regulatory Commission Expense		
775	Miscellaneous Expense	369.02	5,464.61
403	Depreciation Expense		65,422.00
408	Taxes Other Than Income		
408.11	Property Taxes		867.14
409	Income Taxes		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 44,113.20	\$ 134,601.60
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/EXPENSE</b>	\$ 0.00	\$ 0.00
	<b>NET INCOME/(LOSS)</b>	\$ ( 16,082.50)	\$ ( 86,799.04)



**COMPANY NAME**      Utility Source, L.L.C.

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

**COMPANY NAME**      Utility Source, L.L.C.

## WASTEWATER COMPANY PLANT DESCRIPTION

### TREATMENT FACILITY

<b>TYPE OF TREATMENT</b> (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended aeration, step feed system
<b>DESIGN CAPACITY OF PLANT</b> (Gallons Per Day)	37,500 gpd    Plant #1 100,000 gpd    Plant #2

### LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Bellemont Travel Center	2	1.5 hp	50 gpm	1,500 gal
Flagstaff Meadows WWTP	2	3 hp	150 gpm	8,000 gal

### FORCE MAINS

Size	Material	Length (Feet)
4-inch	SDR-35	2,200
6-inch		

### MANHOLES

Type	Quantity
Standard	60
Drop	

### CLEANOUTS

Quantity
1

**COMPANY NAME**      Utility Source, L.L.C.

**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**COLLECTION MAINS**

Size (in inches)	Material	Length (in feet)
4		
6		
8	SDR-35	16,224
10		
12	SDR-35	360
15		
18		
21		
24		
30		

**SERVICES**

Size (in inches)	Material	Quantity
4	SDR-35	327
6	SDR-35	3
8		
12		
15		

**FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY**

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	25,000 sludge holding tank-sludge hauled away
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	(1) Peristaltic chemical pump
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	mixed media filter-continuous backwash
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	(1) 700 sq ft building (2) 12' wide rolling gate 6' cinder block fence, 376' in length
<b>OTHER</b> (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	O <sub>2</sub> sensor, cl <sub>2</sub> meter, backup generator, backup pumps, backup compressors, peristaltic meth pump

**COMPANY NAME** Utility Source, L.L.C.

### **WASTEWATER FLOWS**

<b>MONTH/YEAR (Most Recent 12 Months)</b>	<b>NUMBER OF SERVICES</b>	<b>TOTAL MONTHLY SEWAGE FLOW</b>	<b>SEWAGE FLOW ON PEAK DAY</b>
January	277	1,356,101	168,000
February	285	1,343,442	146,000
March	289	1,190,804	100,000
April	298	1,268,004	100,000
May	302	1,350,535	74,000
June	302	1,385,586	67,000
July	308	1,623,783	102,000
August	330	1,846,148	83,000
September	348	1,691,651	66,000
October	375	1,555,595	59,000
November	366	1,389,808	61,000
December	352	1,526,460	55,000

### **PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE**

<b>Method of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Surface Water Discharge
<b>Wastewater Inventory Number</b> (all wastewater systems are assigned an inventory number)	N/A
<b>Groundwater Permit Number</b>	N/A
<b>ADEQ Aquifer Protection Permit Number</b>	104083
<b>ADEQ Reuse Permit Number</b>	N/A
<b>EPA NPDES Permit Number</b>	AZ024708

## STATISTICAL INFORMATION

Total number of customers 375

Total number of gallons treated 17,527,917 gallons

COMPANY NAME Utility Source, L.L.C.

YEAR ENDING 12/31/2005

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>-0-</u>
Estimated or Actual Federal Tax Liability	<u>-0-</u>

State Taxable Income Reported	<u>-0-</u>
Estimated or Actual State Tax Liability	<u>-0-</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>-0-</u>
Amount of Gross-Up Tax Collected	<u>-0-</u>
Total Grossed-Up Contributions/Advances	<u>-0-</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

4/14/06  
DATE

Gary Bulechek  
PRINTED NAME

Member  
TITLE

COMPANY NAME Utility Source, L.L.C. YEAR ENDING 12/31/2005

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 867.14

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EVAL DESCRIPTION: SECTION 1 TOWN 21N RANG 05E ACRES  
FLAGSTAFF MEADOWS UN 1 TRACT F.

2.51 USE 0004

TAX ROLL NUMBER

30153

PARCEL IDENTIFICATION

204-07-139

TAX AREA CODE

0113

Sewer  
Treatment  
Plant

US

PAID  
12-2-04  
Ch# 867-14  
01-3

204-07-139 8 30153

GREENFIELD LAND DEVELOPMENT LLC  
721 E SAN PEDRO  
GILBERT AZ 85234

|||||

\* IMPORTANT - SEE REVERSE SIDE  
FOR COMPLETE EXPLANATION OF  
YOUR 2004 TAX NOTICE AND  
PAYMENT INSTRUCTIONS.

## 2004 TAX SUMMARY (3)

PRIMARY AD VALOREM TAX	508.06
LESS STATE AID TO EDUCATION	
NET PRIMARY AD VALOREM TAX	508.06
SECONDARY AD VALOREM TAX	359.08
SPECIAL DISTRICT TAX	

## PAY TOTAL OR HALF TAX

TOTAL TAX DUE	867.14
HALF TAX	433.57

## DUE DATES

1st HALF OCT. 1, 2004

2nd HALF MARCH 1, 2005

THIS IS THE ONLY NOTICE YOU WILL RECEIVE  
NO RECEIPT WILL BE SENT UNLESS REQUESTED

## PRIMARY PROPERTY TAX CALCULATION (1)

ITEM	LIMITED VALUE	ASSTMT %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND SIDES ETC	59620	160	9539	0	53261	508.06
PERSONAL PROPERTY	0	0	0	0	0	0.00
TOTALS	59620		9539	0		508.06

## SECONDARY PROPERTY TAX CALCULATION (2)

ITEM	FULL CASH VALUE	ASSTMT %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND	59620	160	9539	0	37644	359.08
DEDS ETC	0	0	0	0	0	0.00
PERSONAL PROPERTY	0	0	0	0	0	0.00
TOTALS	59620		9539	0		359.08

## 2003-2004 TAX COMPARISON (4)

TAX CODE	TAX JURISDICTION	2004 PRIMARY	2004 SECONDARY	2004 TOTAL	2003 TOTAL	DIFFERENCE
02003	COCONINO COUNTY	4534	00	4534	4427	107
02001	SCHOOL EQUALIZATION	4350	00	4350	4392	-42
07001	FLAGSTAFF SD #1	38044	16553	54597	59639	-504
08150	COMMUNITY COLLEGE	3878	1521	5399	5416	-17
11528	PARKS/BELLMONT PD	00	14309	14309	14309	0
13900	FIRE DISTRICT ASSISTANCE FUND	00	954	954	954	0
14900	COCONINO CO LIBRARY DIS #77-58	00	1811	1811	1811	0
15900	COCONINO COUNTY FCD #84-41	00	760	760	760	0
	TOTALS	50806	35908	86714	91708	-499

TEAR OFF ALONG DOTTED LINES

PLEASE ALLOW 30 DAYS FOR PAYMENT PROCESSING

TEAR OFF ALONG DOTTED LINES

LEAVE RETURN THIS PORTION WITH PAYMENT.

MAKE CHECKS PAYABLE TO:

BONNY K. KRASKE  
COCONINO CO. TREAS.  
110 E CHERRY AVE.  
FLAGSTAFF AZ 86001

TAX ROLL NUMBER

30153

PARCEL IDENTIFICATION

204-07-139 8

TAX AREA CODE

0113

GREENFIELD LAND DEVELOP  
721 E SAN PEDRO  
GILBERT AZ 85234TOTAL TAX DUE IS \$867.14 OR LESS FOR AMOUNT IS DUE NOW.  
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.  
PLEASE ALLOW 30 DAYS FOR PAYMENT PROCESSING.

## 2004 2ND HALF COUPON

2 PAY 2ND HALF PAY 433.57

2ND HALF TAXES DELINQUENT AFTER MAY 1, 2005



0320407139008200400000043357

COPY FROM TAXD 001 (7/2004)



**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

**RECEIVED**  
APR 17 2006  
Z Corporation Commission  
Director of Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)  
Cochise

NAME (OWNER OR OFFICIAL) TITLE

COMPANY NAME

Utility Source, L.L.C.

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

*Ray Bullock*  
SIGNATURE OF OWNER OR OFFICIAL  
(480) 988-2500  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14<sup>th</sup>

DAY OF

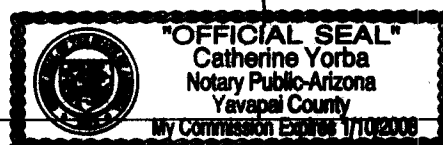
(SEAL)

MY COMMISSION EXPIRES

1/10/2008

COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	<u>2006</u>

*Catherine Yorba*  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**  
APR 17 2006

**Z Corporation Commissic  
Director of Utilities**

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Cocoma</u>
NAME (OWNER OR OFFICIAL) TITLE
COMPANY NAME <u>Utility Source, L.L.C.</u>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 47,007.28

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 0.00

IN SALES TAXES BILLED; OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

*Cathy Bullock*  
SIGNATURE OF OWNER OR OFFICIAL  
(480) 988-2500  
TELEPHONE NUMBER

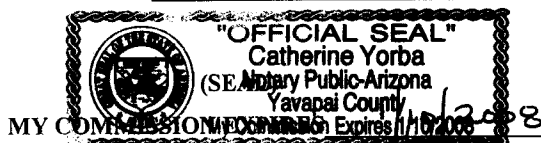
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14th DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u> , 20 <u>06</u>

*Catherine Yorba*  
SIGNATURE OF NOTARY PUBLIC



VERIFICATION  
AND  
SWORN STATEMENT  
**RESIDENTIAL REVENUE**  
INTRASTATE REVENUES ONLY

**RECEIVED**  
APR 17 2006  
Z Corporation Commission  
Director of Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <b>Coconino</b>	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME <b>Utility Source, L.L.C.</b>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 40,948.95

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ -0-  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X *Thayer B. B. B.*  
SIGNATURE OF OWNER OR OFFICIAL  
(480) 988-2500  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14<sup>th</sup>

DAY OF

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME	<u>Catherine Yorba</u>
COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u>
	<u>2006</u>

X *Catherine Yorba*  
SIGNATURE OF NOTARY PUBLIC